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LABOR LEGISLATION IN FRANCE UNDER THE THIRD REPUBLIC.*

I.

NOT the least important service of great expositions is the incentive and opportunity offered for looking back over the preceding period and taking stock of the results accomplished. In the case of the exposition at Paris just closed the making of such a retrospective survey, as regards social legislation, is peculiarly timely. The Third French Republic has now been in existence for something over a quarter of a century. Under this government the French workingmen have, for the first time, found themselves in a position practically to direct or at least largely to influence legislation. It is an interesting study, therefore, from both the social and political points of view, to determine the use that has been made of this power in the way of enacting measures directed to the betterment of conditions against which they have so long protested.

It is the purpose of the present paper to attempt such a study. In doing so, the effort will be made, not only to present the résumé of the legislation enacted during the past thirty years in respect to labor, but, as far as space

* The writer has, at one time or another, had occasion to write in considerable detail concerning a number of the branches of legislation here treated; and reference is made to these contributions for those readers desiring a fuller account of the subjects treated. The purpose of the present article is briefly to recapitulate the important points of these articles, and supplement them in such a way that a general idea will be given of the extent and consequences of the great activity of the French legislature, under the Third Republic, in behalf of the laboring classes. The articles above referred to are:—

“Foreign Labor Laws, France,” *Bulletin of the Department of Labor*, November, 1899; “The French Workmen’s Compensation Act,” *Quarterly Journal of Economics*, July, 1898; “The Modern Movement for the Housing of the Working Classes in France,” *Yale Review*, November, 1899; “Les Sociétés de Secours Mutuels of France,” *Yale Review*, August, 1897; *Workingmen’s Insurance*, T. Y. Crowell & Co., New York, 1898.

permits, to make clear the significance of the changes introduced by the various acts, and what have been their results in practical operation. Our study, therefore, will cover an important part of the economic history of France during recent years.

It is a curious fact that, though the First Republic was the result of a revolution having its causes in the protest of the people against social and industrial conditions, it yet, as Mr. Bodley the latest critic of the Revolution has said, accomplished little or nothing for the adjustment of the relations of employers and their employees or the solution of the labor problem. The Third Republic, on the other hand, was the result of a purely political revolution; yet, as will be seen, notable efforts have been made for the improvement of the conditions of the laboring classes, and the solution of some of the more vexed problems having to do with the relations of capital and labor. This action can best be shown by studying separately the work done in each of the various branches into which the subject of the labor problem naturally divides itself.

Factory Legislation. Foremost in the rank of labor legislation is that body of measures for the regulation of the actual conditions under which labor must be performed, collectively known as factory regulations.

It is now pretty generally accepted that the state has a part to play in determining the conditions under which industry shall be carried on. Such legislation as the prohibition of the employment of children of tender years, the requirement that mill-owners shall take all needful precaution against accidents, that separate toilet facilities for the two sexes shall be provided, and proper hygienic conditions maintained, finds a legitimate place upon the statute books, and contributes greatly toward improving the condition of industrial workers.

As regards this field of social legislation, important results have been accomplished under the present republic.

Prior to its advent, but slight efforts had been made in this direction, the few regulations enacted being practically inoperative through the absence of any adequate system of inspection for their supervision and enforcement. The existing government has enacted a series of factory laws comparable with those of the most advanced nations, and has organized a system of inspection of great effectiveness.

The first of these laws was that of **May 19, 1874**, entitled an "Act in relation to children and women under age in industrial pursuits." This law prohibited the employment of children under twelve years of age, except in certain special cases, limited the hours of labor of children and women to 12 per day, prohibited the employment of children under twelve years of age and all women below ground in mines, restricted greatly Sunday and night work, and made numerous other provisions concerning periods of rest, security against accidents, etc. A beginning was also made in the way of providing a factory inspection service. Altogether the act was an advanced measure for its day.

Although this law constituted a great improvement over prior existing conditions, it presented numerous defects and omissions. It has, therefore, been supplemented, or rather supplanted, by two important acts of recent date: those of November 2, 1892, concerning the employment of women and children; and of June 12, 1893, concerning the hygiene and security of workingmen in industrial establishments. The former of these two laws has been modified in some respects by the law of March 30, 1900. Together these laws constitute a veritable factory code, and place France in the front rank of states which have taken effective steps for the protection of factory workers and the regulation of the employment of women and persons of tender years. Their essential provisions can be briefly summarized.

The laws of 1892 and 1900 relate to the employment, health, and security of children of both sexes until sixteen years of age, and of women of all ages in industrial establishments of every description. Small family workshops directed by the father, mother, or guardian, unless a mechanical motor is made use of or the trade is peculiarly unhealthy or dangerous, are, however, excluded. The employment of children under thirteen years of age is absolutely prohibited, with the exception that children twelve years of age can be employed if provided with a certificate of primary instruction, and a medical certificate showing that their physical condition is such as to permit of their employment without injury.

The hours of effective labor for the different protected classes are limited as follows: children under eighteen years of age and women shall not be employed more than 11 hours a day; at the end of two years (from March 30, 1900) this duration of working time must be reduced to 10½ hours; and at the end of a new period of two years to 10 hours. In the case of work in mines and quarries below ground these hours were still further limited by a decree of May 3, 1893, to 8 hours for boys under sixteen years of age and to 10 hours per day, or 53 hours per week, for boys between sixteen and eighteen years.

In general, all night work — that is, from 9 P.M. to 5 A.M. — is prohibited to persons coming under the scope of this law. Exceptions are made where workmen have to work in relays or shifts, in cases of emergency, etc.

One or more periods of rest of a total duration of at least one hour must in all cases be provided during each day. The employment of women below ground in mines and quarries is prohibited. The power is further given to the government to regulate or prohibit the employment of women and children in industries dangerous to their health or security. It is obligatory upon all employers immediately to notify the proper authorities of all accidents

occurring to their employees, and to give concerning each such information as may be demanded by the government. Finally, there are certain general provisions concerning sanitation and the taking of precautions against accidents, which, however, are much more fully covered by the law of June 12, 1893.

Undoubtedly, the most important provision of this law, however, is that whereby an adequate and well-organized system of factory inspection is for the first time provided. A beginning had been made in the organization of a corps of inspectors by the law of 1874. The system then created was defective and inadequate. The present law completely reorganized this corps upon another basis, largely increased its *personnel*, and gave to it enlarged powers. To-day the inspection service includes a chief, eleven department or division inspectors (each having charge of the inspection of factories in one of the eleven inspection districts into which France was divided), seventy-seven department inspectors and fifteen female inspectors, or a total of one hundred and four functionaries. These inspectors are wholly selected through civil service examinations, and hold office permanently. It is thus expected that in time a corps of factory inspectors will be formed, equal in ability and reputation to the corps of state inspectors of mines.

A word also should be said concerning three organisms which were created by the law to unify and supervise the work of the inspectors. They are, (1) a *commission supérieure*, composed of seven deputies, partly elected by their colleagues and partly nominated by the President, the duty of which is to have a general supervision over the execution of the law, to receive the reports of the division inspectors, and itself to make an annual report to the minister of commerce and industry; (2) *commissions départementales*, composed of division and department inspectors, a mining engineer, and certain other public offi-

cers, the duties of which are to report concerning the execution of the law, and particularly modifications that should be introduced in it; and (3) *comités de patronage* organized in each department, composed of seven members, four of whom are named by the general council of the department, and three by the prefect, with the duty of looking after the interests of children in industrial pursuits, their apprenticeship, technical education, etc. The members of all of these bodies serve without pay.

In this law no attempt was made to provide any but the most general provisions concerning the hygiene and security of workshops. To remedy this omission, there was, therefore, passed the act of June 12, 1893, relating specially to this subject. Its provisions are mainly technical, and cannot therefore be easily here recapitulated. It is sufficient to say that it covers the ground in a very efficient way. Its enforcement is intrusted to the factory inspectors.

A few figures taken from the last annual report of the Superior Commission concerning the operation of these laws during the year ending December 31, 1899, may be of interest as showing the extent and character of the work done by the inspection authorities. The records showed 309,675 establishments subject to the provisions of the law. Of these but 382 employed more than 500 employees, while 270,313 had less than 11 employees. The prevalence of small shops makes the work of factory inspection exceedingly difficult. Of the 2,715,569 employees in all the establishments, 16.6 per cent were children under eighteen years of age, 22.8 per cent. women eighteen years of age or over, and 60.6 per cent. men of that age or over. During the year, visits were made by inspectors to 121,814 establishments, employing 1,861,339 persons. The report mentions the reorganization of the departmental commissions in the important respect that provision is made for the representation of both employers and

employees upon them. But few patronage committees have been formed.

Right of Association: Trade Unions. It is difficult for one in America, where such great liberty of forming associations of all kinds exists, to appreciate the importance of the efforts made by the workingmen of France to obtain the same right. For a long time the desire for this privilege constituted the central feature of the demands put forward by the laboring men. Prior to 1864 any effort on the part of workingmen to form unions, whether for a temporary or a permanent purpose, was illegal. Strikes of almost any kind were therefore infractions of the law, and during the years 1853 to 1862 official records show that prosecutions were undertaken in no less than 749 instances on this account.

This condition of affairs was partially changed by the law of May 25-27, 1864, which introduced the general principle now incorporated in our own state law,—that coalitions or combinations of workingmen for the purpose of striking are not in themselves illegal, but only become so when violence, intimidation, or other illegal means are employed.

Notwithstanding the principle of liberty expressed by this law, the right of workingmen freely to form organizations was withheld. Under certain provisions of the penal code and an earlier act of April 10, 1834, workingmen could form organizations only after they had received a special authorization from the government, which permission could be refused or revoked in the most arbitrary manner. The operation of these laws largely nullified the act of 1864, as workingmen on a strike could often be prosecuted as violating their provisions. And, in fact, prosecutions on this account were repeatedly undertaken by the government.

It remained for the Third Republic to correct this condition of affairs. After a long struggle the act of March

4, 1884, concerning the right of association was passed. It relates specially to labor organizations, and definitely legalizes their formation. The necessity for first obtaining the authorization of the government is done away with: it is only necessary for those desiring to form a union to deposit with the government a copy of the constitution and the names of the officers. Thus established, the union enjoys the right of all corporations to act in their corporate capacity. The only limitation is that such organizations must have for their sole purpose "the study and promotion of the economic, industrial, commercial, and agricultural interests of their trade," and that each union must embrace only persons belonging to the same or closely related trades. The purpose of the first limitation was to prevent organization for political or religious purposes. The second limitation has the important qualification that regularly constituted unions of different trades can concert together, and form syndicates for the mutual benefit of their members.

This law, while it does not give the same freedom of association that exists in America, yet in practical operation is a very liberal measure. Its passage has had the result of greatly stimulating the organization of trade unions, or *syndicats ouvriers*, throughout France. In 1884 there were registered 175 unions, of which 68 were of workingmen, 101 of employers, 1 of employers and employees, and 5 of agriculturists. Each year since this has witnessed a steady increase in their number. In 1897 there was a total of 5,680 unions, of which 2,316 were of workingmen, 1,823 of employers, 170 of employers and employees, and 1,371 of agriculturists. The number of members of the unions of workingmen alone was in 1884 139,692, and in 1897 431,794. While these unions are by no means the efficient organizations known in England and the United States, a great deal of valuable work is done by them. This is particularly true regarding the organization of sick relief and other mutual benefit features.

Labor Bourse. In connection with the greater encouragement given by the law of 1884 to workingmen to form organizations, mention should also be made of the active support by the government of a labor exchange, or bourse, at Paris. Such an institution, the purpose of which was to provide a central institution to which employers and employees could resort for the purpose of seeking labor or employment, and where labor organizations could have their headquarters, was created by the city of Paris in 1887. By decree of December 28, 1889, it was declared to be an institution of public utility. Owing to the failure of the labor organizations making use of it to comply with certain provisions of the law and because it seemed to have become a centre for disorder, the government ordered it closed in June, 1893. In the mean time there had been built for it, at government expense, a handsome, specially designed building. After two years the Bourse was again opened in 1895. The decree then issued also set forth in some detail exactly what should be the functions and powers of the Bourse, and how it should be governed. On July 17, 1900, a new decree was issued, which contains the provisions now in force.

By this decree it is declared that the objects of the Bourse are: to facilitate negotiation regarding the employment of labor by means of free employment bureaus, public rooms for hiring labor and the publication of information concerning the labor market; to assist in the promotion of the technical and economic education of trade unionists and to furnish rooms in which trade unions can hold their meetings. To make use of the Bourse, unions must be legally constituted according to the provisions of the law of 1884. The expenses are to be borne by the city of Paris, and the general supervision of the institution is intrusted to the prefect of the Seine. Provision is made for an administrative commission of fifteen members, to be elected by the trade unions, to act as a governing body.

Though the management of the institution is thus turned over to the unions themselves, the government retains the power to dissolve this commission at any time and order a new election, and, if necessary, to close the Bourse. The prefect is represented at the Bourse by an official who acts as the general administrator (*régisseur*).

Superior Labor Council. With the growing importance of labor matters coming before Parliament, the need for some permanent body for their critical consideration became evident. To meet this want, M. Jules Roche, the then minister of commerce and industry, by decree of January 22, 1891, provided for the organization of a *conseil supérieur du travail*, with the duty of examining and reporting upon any measures relating to the interests of labor that might be referred to it. Its character was very similar to that of the Superior Statistical Council created in 1885, which had been so instrumental in unifying and improving the statistical work of the various departments of the government. The council was originally made to consist of sixty members, of whom ten were members *ex officio* and the remainder were appointed by the minister of commerce for two years, sixteen of whom should be employers and sixteen representatives of the employees. A decree, issued September 1, 1899, in virtue of a resolution of the Chamber of Deputies, increased the number of members to sixty-six, of whom twenty-two should be elected by employers' associations, chambers of commerce, and the like, and twenty-two by employees' associations, such as trade unions and councils of prudhommes. The term of office was also increased to three years.

This council has proven a very influential body, and has more than fulfilled expectations in regard to it. Since its creation, it has held eight sessions, the reports of which are published in seven volumes. In these meetings it has critically examined the following subjects: the creation of a labor bureau, conciliation and arbitration in labor dis-

putes, workingmen's houses, shop rules, museums of social economy, people's credit institutions, legislation in relation to co-operative societies and trade unions, labor councils, insurance against unemployment, the exemption from seizure of workingmen's pensions, attachment of wages, conditions to be required in letting government contracts, contract or task work.

The action of the council has also been productive in most cases of immediate practical results. As examples, may be mentioned the creation of a labor bureau, the law of 1892 concerning arbitration and conciliation, the law of January 12, 1895, concerning attachment of wages, the law of November 30, 1894, concerning workingmen's houses, the creation of a social museum (afterwards replaced by the *Musée Social*), and changes introduced by the government in regard to the conditions under which contracts were let. It is a matter of no little interest that this labor parliament, consisting partly of experts and partly of persons representing the particular interests of employers and employees, should have proven so successful in practical operation.

Local Labor Councils. Within the past year the work of the Superior Labor Council has been materially supplemented by provision being made for the creation of local councils of labor. Following the example of Belgium and Holland, the President of France, by decree dated September 17, 1900, ordered that labor councils should be created by the minister of commerce and industry in all industrial regions where their utility was evident. The purpose of these councils, while in a way analogous to that of the Superior Council, yet comprehends many things not falling among the duties of the latter body. It is made their duty (1) to give their opinion, whenever requested by the parties interested or the government, upon all labor questions submitted to them; (2) to assist in investigations undertaken by the Superior Council; (3) to establish in

each region for the trades represented in their councils a table showing the normal and current rate of wages and hours of labor (this table must as far as possible be prepared in accord with the employers' and employees' associations); (4) to seek and make known to the public authorities the measures that can be taken to lessen unemployment in their districts; (5) to present to the competent authorities reports concerning the division and employment of the subsidies granted by the government to employers' and workingmen's institutions; and (6) to prepare an annual report to the minister of commerce and industry concerning the execution of laws and decrees regarding the regulation of labor, and improvements which, in their judgment, can be made in such regulation.

The councils are to be organized in sections according to the trades represented. Each section must be composed of an equal number of employers and employees. The membership of each section must be not less than six nor more than twelve. These members are to be elected as far as possible by the respective organizations of the employers and employees. In their absence, provision is made for their election in other ways.

In most essential respects the organization and functions of these councils are similar to those of Belgium and Holland, with the important difference, however, that they are not given any function in reference to the arbitration or settlement of labor disputes. An important innovation, also, is the duty of preparing a schedule of the ordinary rate of wages and hours of labor in each locality. This function is one of great importance, taken in connection with the decree hereafter noted, providing that on all government contracts normal wages must be paid and normal hours of labor be observed. It can also be easily seen that under certain circumstances such lists can be made to play a very significant part in strikes or any disputes con-

cerning the remuneration of labor or the duration of work.

Bureau of Labor Statistics. Upon the assembling of the Superior Labor Council, the first fact recognized was the necessity for data upon which to base their studies, and for a permanent body that could undertake its collection, as particular needs were felt. In consequence of its recommendation, therefore, there was passed the law of July 20, 1891, creating the present *Office du Travail*, a bureau under the ministry of commerce and industry. The decree determining the details of its organization was issued August 19, 1891. Subsequent decrees have changed its constitution and functions to some extent. The last decree is that of August 1, 1899, which entirely reorganizes the ministry of commerce and industry. It provides for the organization of a sub-department, or *Direction du Travail* as it is called, to embrace all the services having to do with industry and labor. This section thus has charge of the factory inspection service, the supervision of trade unions and councils of prudhommes, the collection of labor statistics, the prosecution of the regular censuses of population and industry, the control of workingmen's insurance institutions, and the like. Under it, also, come the various superior councils, such as those of labor and statistics, that have been mentioned, and many others in relation to such matters as workingmen's houses and workingmen's insurance.

The labor bureau, which is thus a bureau under the general *Direction du Travail*, has done exceptionally good work among labor bureaus. Its publications now number fifty or more volumes, in addition to a monthly Bulletin issued since 1894, and constitute the most valuable body of information concerning labor conditions in France now available. Its annual reports concerning labor disturbances show the number, character, and results of strikes each year since 1890, and the results of the operation of the arbi-

tration act which is described elsewhere in this paper. Its special reports concerning the hygiene and security of industrial establishments, and the arbitration of labor disputes in both France and foreign countries, are among the most complete of existing compilations upon these subjects. Its series of reports on the German and Austrian systems of workingmen's insurance present valuable analyses of the statistical returns of these institutions; and its reports upon wages and hours of labor in France furnish almost the only official data concerning these points. Among recent reports of interest may be mentioned those on trade unions in France, the first of a series of volumes that will cover all the branches of industry in the country, workingmen's productive associations, funds maintained by employers for pensioning their old employees, and the minimum of wages on public works.

As originally constituted, the work of the labor bureau was limited strictly to the collection of labor statistics. Its facilities for statistical work, however, soon led to the transfer to it of other statistical work. It has thus taken over the work of the *statistique générale*, and now publishes the results of the quinquennial censuses of population, the annual statistical abstract, and the annual returns of the movement of population. In like manner it publishes the results of the industrial census of 1896, and the *annuaire des syndicats*, or Trade Unions Annual. The labor bureau has thus, in fact, become the central or general statistical bureau of France.

Arbitration and Conciliation. In common with all the principal industrial nations, France has sought to devise some method of arbitration or conciliation by which the frequency and evils of strikes may be lessened. In France a clear distinction is made between individual and collective disputes. For the settlement of the first, France has long had special institutions in her *conseils de prud-hommes*. The first of these bodies was created in 1806,

and their general organization provided for by a decree issued June 11, 1809. Since then various laws and decrees have been issued in regard to them. During the period under consideration, acts in relation to them were passed February 7, 1880, February 23, 1881, November 24, 1883, and December 10, 1884. These laws, however, are not of great importance. They relate merely to details of organization.

Though the councils have apparently done excellent work within their limited sphere, their jurisdiction extended only to the most minor difficulties; and the character of their membership was not such as to make it desirable to give them much greater powers. It was necessary, therefore, to devise an independent system of labor arbitration.

The first proposition looking to this end introduced in the Parliament was that of MM. Camille and Raspail, May 25, 1886. In the years immediately following, the subject received a great deal of attention, and elaborate investigations were made concerning it by various committees and by the Superior Council of Labor. An agreement, however, was not reached until 1892; and the important law now in force was enacted December 27 of that year.

In France, as elsewhere in Europe, the idea of compulsory arbitration had to be abandoned, and resort had to the creation of arbitration tribunals, recourse to which is purely voluntary on the part of both employers and employees. Briefly stated, the law provides that, upon any difficulty arising between an employer and his employees, either party can appeal to the justice of the peace of the district, requesting him to constitute a board of conciliation, or, if an actual strike has been begun, a council of arbitration. The party taking the initiative must, in his request, set forth the cause and circumstances of the disagreement, and at the same time name its delegates, not to

exceed five in number, whom it desires to serve upon the council. Upon receiving such a request, the justice must then communicate with the other party, and attempt to secure his consent to the arbitration. In case neither party appeals to the justice, the latter can, on his own initiative, attempt the constitution of a council of arbitration. In case a council is organized, but an agreement cannot be reached, the justice of the peace must then request the parties to designate one or more arbitrators, to whom the matter is referred. The submission of a dispute to arbitration, however, as has been said, is entirely voluntary; and the enforcement of the decision, no matter how arrived at, depends upon the good faith of the parties.

Before leaving this subject, it will be interesting to glance at the results accomplished by the act, that is, to determine to what extent the employers or employees have availed themselves of its provisions for the settlement of their differences. The French *Office du Travail*, in its annual report on strikes for the year 1898, reported a total of 368 strikes. Of these, arbitration under the act was attempted in ninety-four cases, or 25 per cent. of all labor disputes. The initiative in demanding arbitration was taken fifty-seven times by the workingmen, three times by the employer, two times by the employer and employees jointly, and thirty-two times by the justice of the peace. In four cases, work was resumed without waiting for the outcome of the arbitration. In thirty-eight cases, of which thirty-two were by the employers, the demand for conciliation or arbitration was refused; and in fifty-two cases committees of conciliation were actually constituted. In eighteen of these cases the difficulty was immediately adjusted, and two cases were settled by arbitration. In the remaining thirty cases all attempts at settlement were abortive, and strikes resulted. The record for 1898 is substantially that of former years. The advo-

cates of voluntary arbitration do not claim that it will prevent strikes. That it serves a useful purpose, however, in furnishing a means for the adjustment of many disputes which are the result of misunderstandings, cannot be denied. The French law, while its results have probably not satisfied all expectations, is yet apparently, as far as records show, doing a good work, and probably accomplishes as much as any law in this direction can.

Housing of Labor. The problem of the housing of labor is not one that is primarily dependent upon state action. The provision of better homes for workingmen must largely be undertaken by private persons, either acting individually or in some form of voluntary association. There are few questions relating to labor, however, in which the state does not have some part to play. The conditions of the evil that it is sought to remove must be made patent by official investigation; private initiative frequently needs to be stimulated, facilities for raising the capital necessary for the work be provided; and, when private efforts fail to meet the exigencies, the state must itself intervene, and directly do that which private effort either cannot or will not undertake. This latter step, however, should not be taken—and, as a rule, is not taken—until the first methods have proven ineffective.

In France, while no direct action on the part of the state has been sought, it was seen by those interested in the question that wisely enacted legislation could in certain particulars contribute materially to the movement for the reform of the housing conditions of the working classes. The *société française des habitations à bon marché*,—a privately organized, public-spirited association, having for its purpose the advancement of reform in regard to workingmen's homes, and the leading factor in the modern movement,—therefore, after a most exhaustive examination of the character of the legislation that was desirable, drew up a bill, and through its president, M. Jules Sieg-

fried, a former cabinet minister, and then a member of the Parliament, secured its enactment November 30, 1894. Its provisions were subsequently slightly modified by the act of March 31, 1896.

This act is a very comprehensive measure. It is intended to cover the whole field, and therefore combines provisions relating to a number of distinct purposes. It provides for the collection of information showing housing conditions and needs throughout the country; it authorizes the creation of semi-official councils in the different departments for the purpose of encouraging action in the matter; it makes special provisions whereby building societies can obtain financial aid through loans from certain public institutions; and it encourages the erection of small houses for workingmen by relieving such property from certain taxes during a term of years. It is important to note, however, that the act in no way comprehends that either the central or local governments shall themselves directly undertake or assist in any way in the erection or leasing of workingmen's houses. A closer examination will show how these various purposes are sought to be accomplished.

As regards the first two points, the law provides that there can be created in each department one or more "councils on workingmen's homes," the duties of which are specified to be "to encourage the construction of sanitary and inexpensive houses by individuals or building societies, to be leased or sold on a system of partial payments extending over a series of years to workingmen not already owning their own homes." These committees or councils are constituted by the president upon the advice of the department councils, and the "Superior Council on Workingmen's Houses," a body created by this act. They consist of from nine to twelve members selected from among those specially versed in matters of building construction and hygiene or specially active in matters of

social reform. They serve without pay, but all necessary expenses are to be borne by the departments.

The means of action of these councils are to make investigations concerning the housing conditions and needs in their districts; to open competitions for the best designs for workingmen's houses, to assist in the organization of building societies, or to make use of any other method to encourage private action. They are permitted to receive subsidies from the state or local governments and gifts and legacies, but cannot themselves own real estate other than that necessary for their meetings. Finally, they are required to make annual reports concerning the housing conditions of their localities, of any investigations made or other action taken by them during the year.

For the purpose of unifying and controlling the work of these local committees there was also created, under the ministry of commerce and industry, a "Superior Council on Workingmen's Houses." To this body are given the duties of receiving the annual reports of the local committees, of supervising the administration of the law, and of acting as an advisory body to the government and all societies or organizations in any way concerned in the erection or renting of workingmen's houses. It is also required to present yearly a report to the president concerning the results accomplished under the act during the year.

The second purpose of the act is that of aiding building societies to obtain the necessary funds for carrying on their operations. It provides that bureaus of charity, hospitals, and kindred public institutions may employ not exceeding one-third of their funds available for investment in the construction of workingmen's homes within their districts, in the granting of loans to societies having this purpose in view, such advances to be secured by mortgages upon the property of the societies, or in the

purchase of the securities of these organizations. The same clause also permits the state *caisse des dépôts et consignations* to use a maximum of one-fifth of the funds on deposit with it by savings-banks — a fund now amounting to over 80,000,000 francs — in a similar way.

This section is probably the most important of the act. Its purpose was to meet two difficulties. In the United States the question of obtaining the required capital for building operations is not so difficult as to require special action on the part of the state. In France, however, the economic condition of the workingmen does not permit of the accumulation of sufficient funds for building purposes, as is here possible through the building and loan associations; and, if important results were to be accomplished, some system had to be devised by which building societies could obtain the loan of money for their operations.

The second consideration lay in the fact that, under existing laws, the funds of all sorts of public institutions were being largely immobilized through their investment in government securities, and that private industry was consequently suffering from the large and increasing withdrawal of capital. Under the present law, on the other hand, the funds of these institutions can, in part at least, be invested within the limits of their own immediate districts. The double benefit is thus accomplished of directly putting their capital into circulation and of aiding in an important social work.

Probably the most important innovation of recent years, in connection with the question of the housing of labor, is that of the combination of life insurance with the contract on the part of a workingman to purchase a house through the payment of monthly or annual instalments. Under this system a special arrangement is made with an insurance company, by which it obligates itself to pay the balance due on the purchase price of a house if the purchaser should die before the house is completely paid for. This

scheme presents the double advantage that the building society from which the house is purchased is secured against any risk of loss on account of the death of the purchaser, and the wife or other heirs of the latter receive the property fully paid for and clear of all obligations. This insurance is usually negotiated through the building society, and the premium is added to the instalments, the workingman thus requiting all obligations by single uniform payments. This system is the one introduced into the United States by Dr. E. R. L. Gould in the work of the City and Suburban Homes Company of New York City, and will undoubtedly constitute an important feature of subsequent work in the field of housing reform. The present law recognizes the advantages of this device, and specially provides that the national *caisse d'assurance en cas de décès* may make such contracts with the builders or purchasers of workingmen's houses.

Finally, the act seeks to encourage the construction of cheap houses for workingmen by granting in their case certain remissions or exemptions from the payment of taxes and public charges. These benefits, as well as the other provisions of the act, relate only to houses intended for the working classes, and whose net annual income or rental does not exceed from 90 francs in the smaller communes to 220 francs in the larger and 375 francs in Paris.

It will be seen from this résumé, which has unavoidably taken considerable space to present, that the law is one of great comprehensiveness. That portion which authorizes public institutions to invest a portion of their funds in enterprises for the provision of workingmen's houses has since received an important amendment by the act of July 20, 1895, which authorizes savings-banks to make a similar employment of a portion of their funds. The two acts, therefore, should be considered as a single measure. The advantage of having these institutions invest their

funds in this way instead of in government bonds has already been shown in our consideration of the former law.

As these two laws are permissive in character, depending entirely upon voluntary private action, their effect will only gradually be manifested. They have now been in force but three or four years, but the results thus far accomplished are such as to give great encouragement to the promoters of the laws and those interested in the question of workingmen's homes. The law of 1894, it will be remembered, provided for the constitution of a superior council on workingmen's homes. This body was promptly organized, and embraces the most competent men, well known for their interest in the subject in France. It is a thoroughly efficient and energetic body. From its reports for the years 1896, 1897, 1898 and 1899, we can learn the action that has thus far resulted from the passage of the two acts.

The report for 1896 showed that thirty-four local councils, as contemplated by the act, had been created in twenty-four different departments. In 1897 this number had increased to fifty-one councils in thirty-one departments, in 1898 to eighty-seven councils in forty-eight departments, and in 1899 to eighty-eight councils in fifty departments. These councils have proven of varying degrees of usefulness. Some have undertaken extensive investigations, and fostered housing efforts of various kinds, while others have done but little to justify their existence. In most cases, however, they are doing much in the way of making known the exacting insanitary and overcrowded conditions.

Turning to the record of practical efforts made in consequence of the law, the report for 1899 shows that forty-one societies for the erection or renting of houses for the working classes had made application to have their constitutions approved. Of these, twenty-six had been created since the passage of the law of 1894. As regards that

feature of the law contemplating the participation of the *caisse des dépôts et consignations* and the savings-banks, through the advance of their funds, in the work of housing companies, progress has been made but slowly. The initial step really taken by the first institution was not until 1899, when it advanced a sum of 779,500 francs for this purpose. During the years 1898 and 1899 eleven different savings-banks employed a total sum of 379,516 francs in housing enterprises, of which 232,566 francs were for the direct purchase or construction of houses.

That the banks have not done more has been a source of disappointment to the framers of the bill; but, as success attends the first efforts, the movement will probably gain in strength. As a whole, results have undoubtedly proven the law to have been well advised.

Conditions of Employment on Public Works. Of especial interest are the various measures taken by the government to place workingmen engaged upon public works in a favorable position. This has taken the form of making it easier for associations of workingmen collectively to undertake government work upon a co-operative basis, and of fixing the conditions regarding wages, hours of labor, and other matters that must be observed in all public work.

The history of productive workingmen's associations in France, and the relation of the government to them, is an interesting one.* The first such association was one of carpenters, founded by Buchez in 1831. This society, however, never actually began operations. The first one to do so was founded by gilders in 1834. But little progress, however, was made in the years immediately succeeding. In 1848 a proclamation of the Republic voted the sum of 3,000,000 francs as a subsidy to such societies. Thus encouraged, from 175 to 200 societies sprang into

* For a detailed account of these associations the reader is referred to the excellent article by Professor Charles Gide in this Journal for November, 1899.

life during the years 1848 to 1851. A reaction, however, began almost immediately; and most of these societies disappeared.

The return of the delegation of workingmen from the Exposition of 1862 at London excited a new movement in favor of co-operation. There was consequently inserted in the law of July 24, 1867, concerning joint stock companies, a clause facilitating greatly the formation of co-operative associations. This law as subsequently amended by the act of August 1, 1893, has determined the form of organization of almost all the associations that have been since constituted. In the years immediately following the enactment of the law of 1867 a number of associations were organized, after which a period of inactivity lasting until 1881 succeeded. In that year M. Floquet, the then prefect of the Seine, appointed a commission to study the means of aiding associations of workingmen to undertake the performance of public works. The result of this investigation was the voting, July 26, 1882, by the Municipal Council of Paris, of a regulation, making it easier for workingmen's associations to undertake public work for the department.

In 1883 an extra parliamentary commission was appointed by the minister of the interior, to consider the subject further. Owing to various interruptions, chiefly political, this commission did not terminate its inquiries until May, 1888. The report of this commission led directly to the promulgation of the decree of June 4, 1888, and later to the law of August 1, 1893, modifying the law regarding joint stock companies.

The provisions of this decree are very similar to those of the one issued in 1848, to which reference has been made. They provided for the dividing up of work, when possible, into small contracts, so that small associations could undertake their performance, dispensed with the requirement of a deposit in the case of contracts inferior to 50,000 francs,

as far as employees' associations were concerned, provided that payments for work should be made at frequent intervals, and granted certain other advantages to these bodies. The act of July 29, 1893, extended the provisions of this decree to the public work of the communes. A decision of the council of state June 27, 1889, had already declared that they applied to departmental work.

In spite of the fact that a good many of the departments and communes did not consider the application of the decree compulsory upon them, important results have been accomplished. The total number of productive associations of workingmen, which was 140 in 1895, has increased to 161 in 1896, 184 in 1897, and 220 in 1899. Information concerning the extent to which they engaged in public work, however, can only be obtained for the year 1895. In that year, work to the value of 4,574,000 francs was performed by them. For certain kinds of work, such as that belonging to the building trades, this represented nearly one-half the work performed for the government during the year.

The second means of regulating the manner of performing public works in the interests of labor is that of determining the conditions of employment to be observed by all contractors undertaking such work. These decrees, which are almost identical in their provisions, were issued August 10, 1899, for the purpose of regulating public work by the central government, the departments and communes, and public charitable institutions respectively. They have all the force of law and are exceedingly important documents, constituting, as they probably do, the most radical action taken by any government in regard to the matters to which they relate.

They provide that all contracts made for the performance of work or the furnishing of supplies for these bodies, whether the contract is made by letting or private agreement, must contain clauses by which the contractor

engages himself (1) to give to all his employees one day of rest each week; (2) to employ foreigners only in the proportion fixed by the administration according to the nature and location of the work; (3) "to pay to the workmen a normal wage for each profession, and in each profession for each category of workmen, equal to the rate currently paid in the city or region where the work is executed"; and (4) "to limit the duration of the day's labor to the normal duration currently observed for each category of workmen in the city or region." In cases of absolute necessity the contractor can be authorized to disregard provisions 1 and 4; but, wherever overtime is worked, increased wages must be paid as fixed by the contract.

The most important of these four conditions are those providing for minimum wages, which must be not less than the wages currently paid, and for maximum hours of labor, which must not be longer than those usually observed in the locality and trade. The fixing of this minimum and maximum was intrusted to the administration interested, and in doing so it was directed as far as possible to bring about an agreement between the employees and contractors. This duty will now be performed by the local labor councils described above. If the contractor employs workmen whose physical aptitudes are notoriously inferior to the ordinary workmen of the same category, he can pay them lower wages. The maximum proportion of such men that can be employed and the minimum of the reduction in wages that can be paid them must be fixed by each contract. In case the contract is violated in respect to these features, the administration can deduct the proper amount from the deposit required of contractors, and in case of repeated offences exclude the contractor from undertaking other government work for a given time.

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